

Director's Report
Supplemental Analysis and Recommendations for Residential Amenities
for Residential Use in Commercial Zones

Introduction

Because current requirements for open space and parking on First Hill are believed to be disproportionate to demand, and add substantially to the cost of residential development, amendments to the Land Use Code have been proposed. The Mayor requested that DPD conduct additional research based on comments from the Council's Urban Development and Planning Committee. This memo summarizes DPD's findings with regard to open space amenities for residential uses in commercial zones.

DPD performed the following additional research:

- Surveyed owners and renters across the city;
- Toured buildings to evaluate amenities provided;
- Compared Seattle's requirements to those of other cities in North America; and
- Interviewed housing developers.

Based on the findings of this research, the recommendation for open space amenities for residential uses on First Hill is as follows:

Residential amenity area must be provided in an amount equal to a minimum of ten percent of the gross floor area in residential use, up to a maximum of 50% of the lot area. A maximum of 50% of the required area may be enclosed. 50% of the amenity requirement must be provided on-site with an allowance to provide the remainder off-site, which includes a payment in lieu option.

The proposal acknowledges that the original intent of the open space requirement was more about tenant amenities than the term "open space" implies. The new proposal better reflects an urban neighborhood.

The benefits of this proposal include:

1. Links the requirement of residential amenity area to the amount of housing proposed, with a maximum limit;
2. Meets residents' needs without being an obstacle to housing development;
3. Allows more flexibility for types of amenities provided (and more usable amenities, considering Seattle weather), including: workout rooms and community rooms as well as decks and balconies; and
4. Recognizes typical development, which extends to the lot lines often with retail uses at the sidewalk.

Background

The Department of Planning and Development (DPD) has worked with developers and neighborhood representatives to remove regulatory barriers to market rate housing in the First Hill Urban Center Village. In recent years, the City Council has amended regulations related to mixed use development, allowable densities, and the temporary use of sites for parking, to spur housing development on First Hill. Of the remaining issues to be addressed, open space for residential use in commercial zones has posed challenging questions.

Recently DPD proposed to amend the Land Use Code to align residential open space requirements in multifamily and commercial zones by requiring a minimum amount of open space equivalent to 25% of the lot area. The recommendation was based on the assumption that, at a minimum, residential development in commercial zones should not require more open space than that required of similar development in a multifamily zone. In response to the Council's request to provide further analysis and reconsideration of the proposal, the following assessment is provided to support the revised recommendation.

Analysis

Commercial Zones

In 1988, a requirement for an amount of open space equivalent to 20% of a structure's gross floor area in residential use was adopted into the Land Use Code. Under this requirement, residential development in a commercial zone is required to provide substantially more open space than similar development in a multifamily or downtown zone. In order to gain an insight into the needs of building residents, a survey was conducted, along with a tour of buildings and research of academic literature about the needs of residents in high density neighborhoods and the regulations of a number of cities in North America for comparison.

The intent behind open space requirements is generally to ensure a quality of life for residents by mitigating the impacts of moderate to high density development. Residential amenities, including open space, is intended for residents and their guests, and should not be confused with public parks or other open space. In fact, research shows that open space is only a subset of amenities that serve the needs of residents. Enclosed spaces such as exercise rooms and community entertainment rooms are desired too, particularly during winter months. In the downtown and Cascade neighborhoods, enclosed spaces are allowed to count toward a "common recreation area" requirement. In neighborhoods outside of downtown, these types of spaces are sometimes provided even though they may not count towards fulfilling open space requirements.

Private decks or balconies and shared rooftop decks are the most common amenities provided. Because balconies are frequently too small to qualify (balconies must be a minimum of 60 square feet to count as required open

space), a rooftop deck is often all that is provided to meet open space requirements.

Development in neighborhood commercial and commercial zones is generally allowed to fill the entire lot at street level. The current open space requirement often exceeds lot area or roof area, which constrains development, as rooftop area is often insufficient as a location for open space.

Downtown Zones

In 1986, new downtown zones were adopted. Common recreation area in an amount equal to 5% of the gross floor area in residential use is required. Fifty percent of this area may be undercover or inside the building.

In order to provide opportunities for more social interaction among residents in Seattle's densest neighborhoods, rooftop decks, community rooms and exercise facilities are the most common amenities provided downtown. Common spaces tend to be larger and thus provide some relief or added benefit for people living in smaller units. Though there are no requirements for private space, balconies are often provided.

Development in downtown zones, as in commercial zones on First Hill, frequently occupies the entire lot at street level. Downtown requirements allow the improvement of the streetscape abutting a building to qualify for a portion of common recreation area requirements, recognizing the importance of streets and public amenities to people in higher density, urban neighborhoods. People who reside in mixed use neighborhoods tend to spend time strolling along a green street or relaxing at a sidewalk café; this is recognized by the downtown zoning regulations.

Multifamily Zones

In 1989, residential structures in multifamily zones were required to provide 25% or 30% of lot area as open space, depending on the zone and open space provided (ground level or balconies and decks).

While decks and balconies are common in multifamily zones, the open space at ground level is landscaped to match the character of most residential neighborhoods in Seattle. Development in these zones is required to be set back from property lines. The open space requirements are tied to lot area and interior spaces do not qualify. Most multifamily zones in the First Hill area allow moderate and high density residential development, very similar to what can be built in the neighborhood commercial zones on First Hill.

Resident Survey

DPD conducted an informal survey to learn what amenities residents of multi-family and mixed use residential buildings prefer and how those amenities are used. DPD mailed approximately 600 copies of the survey, with pre-paid return postage, to residents of apartment and condominium buildings throughout the city. The Department also made the survey available to anyone on the DPD website. In total, there were 112 responses to the mailed survey and 58 responses to the online survey.

The results of the survey show that there is an interest in having a wider variety of amenities available. For example, when asked how often private outdoor or shared outdoor space is used, as an indication of preference as well as frequency of use, 74 percent reported using private space once a day or once a week and 40 percent using shared space at the same frequency. Response to the same question comparing indoor shared space to outdoor shared space, was that 60 percent used indoor shared space and 40 percent used outdoor shared space once a day or once a week.

Most results are similarly split. The survey provided no clear preference. All types of amenities (indoor/outdoor, shared/private) received sizable levels of support.

Developer Interviews

Developers were asked "What residential amenities appeal most to residents?" The overriding response was that amenity preferences are variable. Residents in higher density areas, like First Hill, prefer community amenities rather than open space. Another factor is the type of resident. For example, senior citizens will prefer different amenities than young professionals.

Socioeconomic status also was cited as a factor in amenity preference. Balconies and roof decks are not as important to low income or subsidized housing residents. The most important factor is low rent. The respondents involved with this type of housing noted that they would rather use resources for providing more living space than more open space. In these buildings the amenity that was mentioned as preferred were community rooms where people meet, interact, and build a sense of community.

A related theme revolved around the marketability of amenities and the actual use of amenities by tenants. Shared amenities including community rooms, gyms, or roof decks were reported as attractive to potential renters, but are not necessarily used by the tenants at a high rate. This is similar to the survey responses mentioned above. Therefore, allowing the flexibility for a mix of amenities is part of the recommendation.

Other Cities.

Compared to other cities , Seattle's proposed requirements for amenity space or open space are in the middle to high range. The following chart summarizes these findings.

City	Open Space Requirement (In zones similar to those found on First Hill)
Portland, OR and Tacoma WA	None.
San Francisco, CA	36 to 80 square feet per unit.
Vancouver, B.C.	None required in by-laws, but design guidelines provide for balconies and communal spaces.
Suburban and smaller cities, like Bellevue, WA or Austin TX.	100 to 800 square feet per unit (typically with maximum requirements)

DPD's recommended requirements, including minimum amount and dimensions, are similar to those at the high end of the range in San Francisco's higher density residential and mixed use zones.

Recommendation

Residential amenity area must be provided in an amount equal to a minimum of ten (10) percent of the gross floor area in residential use, up to a maximum of 50% of the lot area, with the following features:

- *a maximum of 50% of the area may be enclosed; and*
- *a maximum of 50% of the area may be met off-site (by either constructing amenity features or by making a payment in lieu).*

In calculating gross floor area in residential use, accessory parking, mechanical equipment and unenclosed decks are exempted.

The proposed standard:

1. will meet the needs of residents, while recognizing how such requirements can impact the cost of housing;
2. is still more than or similar to what is required in other cities around the state and North America; and
3. better fits the type of development and the interests of the current and future residents of First Hill.

Maximum Limit

The amount of floor area provided can result in a residential amenity requirement that exceeds the size of the lot. Even with the ability to meet a portion of the proposed requirement with indoor space, this is believed to be unreasonable, as well as adding to the cost of housing.

The following chart illustrates how the proposed cap would apply to development on typical lot sizes in zones with a 160' height limit. The amount of amenity space required as a result of the 50% cap is similar to the 5% of GFA requirement that applies in the residential zones in downtown and in the Cascade Neighborhood in South Lake Union.

Examples in NC3/160' Zone

Sample Project	Residential Use*	10% of GFA**	Capped at 50% of lot area
14,400 sq ft. (1/4 block)	145,440 sq ft.	14,544 sq ft.	7,200 sq ft.
28,800 sq ft. (1/2 block)	290,880 sq ft.	29,088 sq ft.	14,400 sq ft.
60,000 sq ft. (full block)	606,000 sq ft.	60,600 sq ft.	30,000 sq ft.

*Assumes 50% of 1st floor is retail and remaining 15 floors @ 64% lot coverage, per code.

**GFA calculation excludes area used for mechanical equipment, accessory parking and unenclosed decks or balconies.

Off-Site, Payment in Lieu

The proposal ensures that residential amenity space will be provided on-site while allowing the flexibility to meet half the requirement on another site, nearby. The pooling of resources, by allowing multiple developers to contribute to a single amenity, can add a neighborhood pocket park or similar amenity to the list of options for meeting the residential amenity requirement. The proposed off-site option can be met either by directly constructing the amenity on another site or by making a payment in lieu of providing the amenity. The City would collect payments and use the money to acquire land or construct improvements at an existing site. Payment in lieu of providing open space, though not widely used, is an option in other neighborhoods, including Northgate.

Recommendation

While the consequence of the proposal will be to reduce the minimum amount of amenity area required of new residential development in commercial zones, it will result in:

- a requirement that meets the needs of the residents;
- an amount of residential amenity area that is calculated in a manner similar to requirements that apply to development located downtown or in the Cascade Neighborhood.

For these reasons, based on the analysis and assessment performed, it is recommended that the proposed residential amenity space requirements replace current standards for open space in neighborhood commercial zones within the First Hill Urban Village.